

C. APPLICANT'S COMMENTS

Claims 1-8, 10, 11 are pending in this Application, with Claims 1, 2, 7, 10, 11 amended, with Claim 9 canceled and Claims 12-21 added. No new matter is added by way of these amendments, and the amendments are supported throughout the Specification and the drawings. Reconsideration of Claims 1-8, 11 and favorable consideration of added Claims 12-21 is respectfully requested. The Examiner's rejections will be considered in the order of their occurrence in the Office Action.

Paragraphs 4-7 of Office Action

The Applicant has amended the claims in accordance with the Examiner's helpful suggestions. The Applicant respectfully submits that the indefiniteness rejection is now moot.

Paragraphs 8-10 of the Office Action

The Official Action rejected Claims 1-11 under 35 U.S.C. §103(a) as being unpatentable over Potter (U.S. Patent No. 5,787,402). The Applicant respectfully disagrees with this rejection of these claims for at least the following reasons.

i. Burden on Examiner to Establish Prima Facie Case

In proceedings before the United States Patent and Trademark Office, the Examiner bears the burden of establishing a *prima facie* case of obviousness based upon the prior art.¹ When references cited by the Examiner fail to establish a *prima facie* case of obviousness, the rejection is improper and will be overturned upon appeal.² "To support the conclusion that the claimed invention is directed to obvious subject matter, either the references must expressly or impliedly suggest the claimed invention or the examiner must present a convincing line of reasoning as to why the artisan would have found the claimed invention to have been obvious in light of the teachings of the references."³

¹ *In re Bell*, 26 USPQ2d 1529, 1530 (Fed. Cir. 1993). *In re Oetiker*, 24 USPQ2d 1443, 1444 (Fed. Cir. 1992).

² *In re Fine*, 5 USPQ2d 1596, 1598 (Fed. Cir. 1988).

³ *Ex parte Clapp*, 227 USPQ 972, 973 (Bd. Pat. App. & Inter. 1985).

“To establish a prima facie case of obviousness, three basic criteria must be met.”⁴ First, there must be some **suggestion or motivation**, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a **reasonable expectation of success**. Finally, the prior art reference (or references when combined) **must teach or suggest all the claim limitations**. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure.⁵

ii. Legal Requirements for Obviousness

“Precedent requires that to find a combination obvious there must be some teaching, suggestion, or motivation in the prior art to select the teachings of separate references and combine them to produce the claimed combination.”⁶ “An explicit teaching that identifies and selects elements from different sources and states that they should be combined in the same way as in the invention at issue, is rarely found in the prior art.”⁷ “As precedent illustrates, many factors are relevant to the motivation-to-combine aspect of the obviousness inquiry, such as the **field of the specific invention**, the **subject matter of the references**, the extent to which they are **in the same or related fields of technology**, the **nature of the advance** made by the applicant, and the **maturity and congestion of the field**.”⁸ Obviousness requires proof “that the

⁴ MPEP §706.02(j).

⁵ *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991).

⁶ *In re Johnston*, 435 F.3d 1381, 2006 WL 213719 (Fed. Cir. 2006) (citing *Karsten Mfg. Corp. v. Cleveland Golf Co.*, 242 F.3d 1376, 1385 (Fed. Cir. 2001) (“In holding an invention obvious in view of a combination of references, there must be some suggestion, motivation, or teaching in the prior art that would have led a person of ordinary skill in the art to select the references and combine them in the way that would produce the claimed invention.”); *In re Dance*, 160 F.3d 1339, 1343 (Fed.Cir.1998) (“When the references are in the same field as that of the applicant's invention, knowledge thereof is presumed. However, the test of whether it would have been obvious to select specific teachings and combine them as did the applicant must still be met by identification of some suggestion, teaching, or motivation in the prior art, arising from what the prior art would have taught a person of ordinary skill in the field of the invention.”); *In re Fine*, 837 F.2d 1071, 1075 (Fed.Cir.1988) (there must be “some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references”); *Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1143 (Fed.Cir.1985) (“When prior art references require selective combination by the court to render obvious a subsequent invention, there must be some reason for the combination other than the hindsight gleaned from the invention itself.”).

⁷ *Id.*

⁸ *Id.*

skilled artisan ... would select the elements from the cited prior art references for combination in the manner claimed.”⁹

It is further submitted that combining elements from different prior art references must be motivated or suggested by the prior art.

'Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under section 103, teachings of references can be combined only if there is some suggestion or incentive to do so.' [citation omitted] Although couched in terms of combined teachings found in the prior art, the same inquiry must be carried out in the context of a purported obvious "modification" of the prior art. The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification.

In re Fritch, 972 F.2d 1260; 23 USPQ2d 1780, 1783-84 (Fed. Cir. 1992), (in part quoting from *ACS Hospital Systems, Inc. v. Montefiore Hospital*, 732 F.2d 1572, 1577; 221 USPQ 929, 933 (Fed. Cir. 1984)).

It is also submitted that the mere fact that one may argue that the prior art is capable of being modified to achieve a claimed structure does not by itself make the claimed structure obvious -- there must be a motivation provided by the prior art.

The examiner finds the claimed shape would have been obvious urging that (our emphasis) "it is obvious for one skilled in the art to form each hook base of any desired shape *** since *this is within the capabilities of such a person.*" Thus, the examiner equates that which is within the capabilities of one skilled in the art with obviousness. Such is not the law. There is nothing in the statutes or the case law which makes "that which is within the capabilities of one skilled in the art" synonymous with obviousness.

The examiner provides no reason why, absent the instant disclosure, one of ordinary skill in the art would be motivated to change the shape of the coil hooks of Hancock or the German patent and we can conceive of no reason.

Ex parte Gerlach and Woerner, 212 USPQ 471 (PTO Bd. App. 1980) (emphasis in original).

⁹ *In re Rouffet*, 149 F.3d 1350, 1358 (Fed.Cir.1998).

iii. Analysis

Independent Claim 1 has been amended to include the following features:

1. (Currently Amended) A method of client account access protection for client/server or brick and mortar based transactions comprising:

storing account holder defined access parameters input by an account holder, wherein said account holder defined access parameters define parameters that must be satisfied before a transaction of funds or information is authorized, wherein said account holder defined access parameters are stored on a server computer and **wherein said account holder defined access parameters include geographic location parameters where said transaction is allowed to occur;**

initiating a transaction of funds or information;

requesting account holder private information;

entering said account holder private information;

gathering other gathered information, **where said other gathered information comprises the location of said entering said account holder private information for said transaction;**

comparing said account holder private information along with said other gathered information with said account holder defined access parameters; and

determining to authorize or deny said transaction based upon the results of said step of comparing.

Potter merely teaches a “*method and system for performing automated financial transactions involving foreign currencies.*” (Potter, Title.) Potter does not teach a “method of client account access protection” as claimed in the present invention. In particular, the present invention is a method of protecting consumers from fraudulent payment transactions based upon account holder defined access parameters which are then compared with other gathered information relating to the transaction to determine if the transaction should be completed. Potter merely teaches the usage of a “password” to access an account by the user and nothing more.

The present invention as claimed requires account holder to define “**geographic location parameters where said transaction is allowed to occur.**” (Independent Claims 1, 12, 21.) The present invention as claimed further requires the “*gathering other gathered information, wherein said other gathered information comprises the location of said entering said account holder private information for said transaction.*” (Independent Claims 1, 12, 21.) The present invention as claimed further requires the “*comparing said account holder private information*

along with said other gathered information with said account holder defined access parameters; and determining to authorize or deny said transaction based upon the results of said step of comparing.” (Independent Claims 1, 12, 21.) Potter and the other references simply do not teach the usage of “geographic parameters” to determine if a transaction should be allowed along with other features of the independent claims.

For these reasons, among others, Potter cannot suggest the combination of features in applicant’s Claims 1-8, 10-21, particularly as the same are now amended, and it is therefore submitted that the rejection against these claims should be withdrawn and Claims 1-8, 10-21 allowed.

D. CONCLUSION

In light of the foregoing amendments and remarks, early reconsideration and allowance of this application are most courteously solicited. Should the Examiner consider necessary or desirable any formal changes anywhere in the specification, claims and/or drawing, then it is respectfully asked that such changes be made by Examiner’s Amendment, if the Examiner feels this would facilitate passage of the case to issuance. Alternatively should the Examiner feel that a personal discussion might be helpful in advancing this case to allowance, they are invited to telephone the undersigned.

Respectfully submitted,



Michael S. Neustel (Reg. No. 41,221)
NEUSTEL LAW OFFICES, Ltd.
2534 South University Drive, Suite No. 4
Fargo, North Dakota 58103

March 28, 2006

Date

Telephone: (701) 281-8822
Facsimile: (701) 237-0544
e-mail: Michael@neustel.com